

Figure 1: The Main Graph shows the down stock's trend.

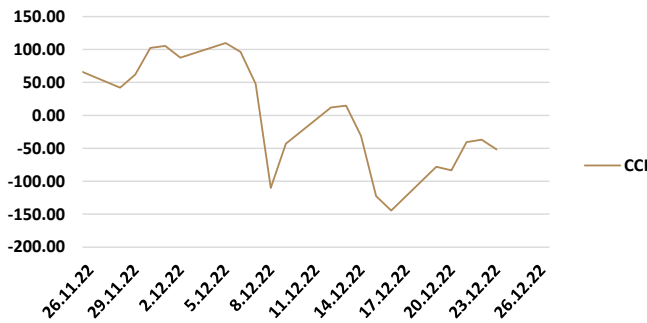


Figure 2: CCI indicates an ambiguous sell signal.

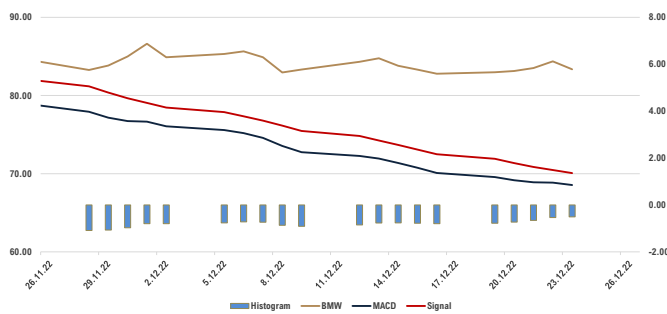


Figure 3: MACD line indicates a sell signal

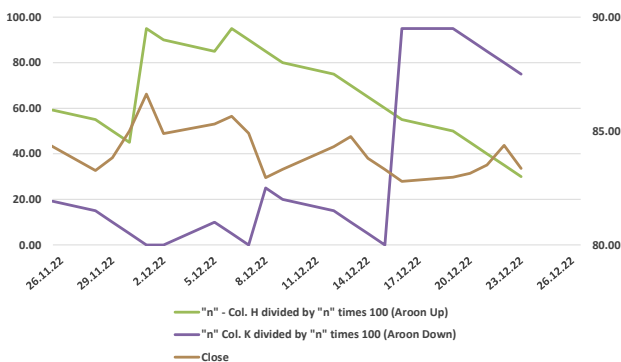


Figure 4: Aroon Indicator

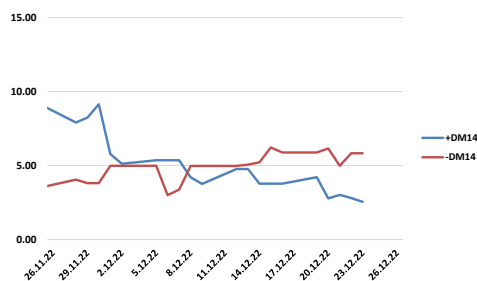


Figure 5: DMI shows a buy signal

Firm's Brief Description

Bayerische Motoren Werke Aktiengesellschaft, together with its subsidiaries, develops, manufactures, and sells automobiles and motorcycles, and spare parts and accessories worldwide. It operates through Automotive, Motorcycles, and Financial Services segments. The Automotive segment is involved in the development, manufacture, assembling, and sale of automobiles, spare parts, accessories, and mobility services under the BMW, MINI, and Rolls-Royce brands. This segment sells its products through independent and authorized dealerships. The Motorcycles segment develops, manufactures, assembles, and sells motorcycles and scooters under the BMW Motorrad brand name, as well as spare parts and accessories. The Financial Services segment engages in automobile leasing, retail and dealership financing, multi-brand fleet, customer deposit, and insurance activities; and the provision of fleet management services under the Alphabet brand. The company was founded in 1916 and is based in Munich, Germany.

Fundamental Approach

- Company's annual revenue growth of 12.87% outperformed its 3 year CAGR of -18.48%.
- Stock gave a 3 year return of 95.25% as compared to Nifty Small cap 100 which gave a return of 76.78%. (as of last trading session).
- BMW reported third-quarter operating profit of about \$3.7 billion. Wall Street was looking for about \$3.6 billion. Operating profit in the year-ago quarter came in at about \$2.9 billion.

Technical Analysis

Examining the main graph (figure 1), one can observe that the price of BMW's stock is above the MA 10, the latter being above MA 20. Consequently, this exhibits an upward trend for BMW's upcoming stock price altering a sell approach. Considering CCI on the second graph (figure 2), the index ranges from around 50 in the beginning of the month to -50 towards the end; therefore, indicating an ambiguous sell signal. Furthermore, when analyzing the MACD index (figure 3), the MACD line is below the signal line crossing as a result the horizontal line 0, by therefore establishing a sell signal. Moving on to the fourth graph (figure 4), Aroon indicator provides further information regarding the buy attitude in the first half of the month, with the Aroon down latter crossing the Aroon up, signifying in the second half a sell signal. Lastly, by examining the DMI Index (figure 5), +DI line is above -DI line, enacting therefore a buy signal for BMW's stock.

Prediction

Taking into account the recent news regarding BMW's stock, the vast majority of the indicators show a downtrend of the stock by establishing a sell approach. Therefore, it is advised to keep a short – position in regards to the stock.

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